G. R. S. IX—5]

Previous references 1923-24 Genl)

File No. 104-23

Serial Nos. Political Genl (1)

Later references

Pl preserve 26/2/24

GENERAL AND REVENUE SECRETARIAT.

(22)

Serial Nos.

Part B for April 24

SUBJECT

Removal of restrictions against the export of asbestos into the State

G. R. S. III-2]

General and Revenue Secretariat.

Revl File No. 104 of 19 23

Serial No.

Notes

Removal of restrictions on asbestos

opinion of the Advt Genl & final orders of the Govt

1039

REPLY

(*To be written on this margin.*)

OFFICE OF THE
SECOND MEMBER OF COUNCIL

NOTE

Dated 21 - 5 - 1924

Egypt 104/23.24

Egypt 104-23-1

GEN. & POL. SECRETARIAT 23 MAY 1924 INDUSTRIES & LABOUR BRANCH.

51772/23

In continuation of my D.O. of 19th May 24. on the matter of the charges which may on the question of the removal of the restrictions placed upon the Export of asbestos from the Colony. I have submitted for the Secretary of State's decision the question as to whether the Asbestos Industry Ordinance 1924 should be applied to the Colony.

It seems from Mr Davis's letter that there were no restrictions upon the Export of asbestos prior to 1922. The total quantity Exported during the 6 years from 1916-1922 was only 1490 tons and the quantity exported in 1922 was 1000 tons. It would also appear that the asbestos deposits are not extensive and it could not be worth anyone's while to work them on a large scale.

I am also given to understand by Mr Vardhamanaiah that the quality of asbestos found in Egypt is very inferior and is not a profitable matter to work. That the withdrawal of the restriction upon its Export is not likely to benefit Egypt but it would be to the advantage of the Egyptian Farmers

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE.

General and Revenue Secretariat

Requisition for papers

Section G.P.I

A

B

Filed

Deposit No.

File No. 139-40

Serial No. 1-5

For Diary No. 2764 of 1942

Signature B Channabasa.

Branch

Section G.P.I

Date 26-11-42

5177

G. R. S. III-2]

General and Revenue Secretariat. | Genl File No. 102 of 1923

Serial No.

Kind attention is invited to the Secretariat Minute dt. 21.5.24. Genl. File 47-22 (SS 1-6 & 8-9) Customs, & the order of Govt. is awaited.

SM 26/5/24

SM 1/6

Rev Secy

Secy

SM 7/6

Secy

Has there been any communication from the Transhipment Depot in connection with the resolution on Abolition of Depot & if any as per my

2/7 SM 5/7

Secy

Subd.

No proposals re the existing arrangements & restrictions placed on asbestos has yet been received from the Vardhaman

SM 8/7/24

9.7.24

Rev. Secy

SM 9/7

SM 9/7

Secy

Vardhaman S.M. Depot

with copy of the minute of 21/5/24

Secy

GEN. SECRETARIAT 216 JUL 1924 COMMERCE

NOTE—Copy to be sent

SM 12/7

Secy

[V.]

No. C. 4
Enc: One

Mysore Geological Department.
Camp Robertsonpet, K.G.F.
Bangalore, 5th February 1924.

Dear sir,

With reference to your D.O.No.M.527 dated the 2nd instant, I beg to state that the following 3 rules Nos 59,60 & 61 were Ordered by Government and added to the Departmental " Rules for the grant of Exploring and Prospecting Licenses and Mining Leases " issued in 1920.

Rule 59. In respect of asbestos, kaolin and China-clay applications will be entertained only from persons who give an undertaking to start a manufacturing industry in the State in these minerals when they are found in workable quantities; preference will be given first to Mysoreans (by birth or domicile), next to people who have vested interests in Mysore and failing these to outsiders.

Rule 60. Permission to export outside the State such surplus portion of the minerals as cannot be made use of locally will be granted on satisfactory proof being furnished to the Director of Geology that the mineral cannot be used within the State for any industrial purposes.

Rule 61. Applications for grant of special and temporary protection in the case of individuals or companies who would undertake to manufacture finished products within the State by utilising the minerals exploited locally will be dealt with on their merits and separate orders issued in each case.

From Rule 59, it may be seen that licenses for asbestos will be issued to persons who give an undertaking to start a manufacturing industry in the State when found in workable quantities. While Rule 60 permits to export outside the State such surplus portion as cannot be made use of

locally on satisfactory proof being furnished that the mineral cannot be used within the State for any industrial purposes

The Mysore asbestos, as made out from the varieties so far obtained, does not yield good fibres of sufficient length and strength, which are necessary for asbestos cloth and mill board; it is for this reason Mr. Vardhamanian imports Canadian asbestos which is mixed up with the Mysore asbestos for the production of mill-boards. But it has been tested that the Mysore asbestos can be fiberised and reduced to a white fluffy mass which could be used as heat insulator, steampipe covering and boiler lagging where the stregth of fiber is not essential.

I think the object of the introduction of the above rules was to encourage industries in the State; but it is doubtful if this object has been attained except only in the single case of Mr. Vardhamanian. The export of the raw material has so far been stopped except in the case of the surplus which cannot be locally made use of.

According to Mr. Changian Chetty if the Government Order is rescinded, the small dealers will get an opportunity to export the total output from their License or Lease areas, without making any honest attempt to start any local industry. This will apparently go against the original idea of Government of encouraging local industries within the State.

As regards the number of Licenses or Leases now current and also about the royalty realised and the output of the mine-ral for the past few years, I am not in a position to draw up a statement here; but I will get it done when I return to Bangalore in a few days and I will submit it to you for your information.

The original Memo of Mr. Changiah Chetty is returned herewith as desired.

Yours sincerely,

A. R. Banerji Esq., M.A.,
C.S.I., C.I.E., etc.
Dewan of Mysore,
Bangalore.

M E M O.

Some 3 or 4 years back, the Government passed orders that in respect of the minerals, viz., asbestos, kaolin, and China clay, applications shall be entertained only from persons who give an -- undertaking to start a manufacturing industry in the State in these minerals when they find in workable quantities.

Now as regards asbestos, since the promulgation of this order, none have put in applications because to manufacture sheets etc out of this mineral, a lack of rupees or more will have to be invested to establish a factory. Besides, the stuff available in the State is of such an inferior quality, that unless it is -- mixed with asbestos of superior quality, no material of commercial Vg can be manufactured. I am told ~~that~~ Mr. Vardhamaniah of Mysore, the only gentleman who has a factory in Mysore, is getting superior asbestos all the way from Canada to mix ~~this with~~ with the material found locally. The Traffic Manager of the State Railways told me that this gentleman had applied for concession rate for the trans--port of the same to Mysore.

On account of this restriction, even those who hold licenses have ceased working. Consequently the Government have not been --- getting any Revenue in the shape of Royalty at 5 per cent on the -- sale value at the mines.

If this restriction is removed, not only the present license holders will work the mines but others also will apply for fresh -- licenses, because asbestos of inferior quality is found in large qua. quantities, in different parts of the State. Especially now that the Madras & Southern Mahratta Railway and Mysore Railway authori--ties have agreed to the reduction of the transport charges on our application in connection with the transport of 1,000 tons from the Kabboor Mines owned by Mr. Krishna Iyer to whom this order does not apply and who is arranging to export the material to Madras. I ha no doubt if this Government order is rescinded, not only the peop

people will be benefitted but also the State.

1/21, 1924.
Bangalore

Sd/- Rangaiah Chetty

D.O.No.552

DEWAN OF MYSORE

BALLABROOIE,
HIGH GROUND,
BANGALORE.

11th Feby.1924.

Dear Mr.Srinivasiengar,

Will you please see the enclosed correspondence and favour me with your opinion on the points involved. The enclosures may be kindly returned with your reply.

Yours sincerely,

K.R.Srinivasiengar,Esq.,M.A.,
Member of Council.

EWU.

[redacted]

19th February 1924

S 15/24

Dear Mr. Sarma,

With reference to your D.O. No. 552 dated 11th instant forwarding for my opinion Mr. Chengiah Chetty's Memo dated 1st February 1924 as well as Mr. Son's letter to you dated 5th February 1924 on the question of the removal of the restrictions placed against the export of asbestos outside the State, I write to state that I find it difficult to express any opinion in the matter offhand without completely studying the question and making some enquiries about it; and I would therefore request you to give me some time to reply fully to your letter.

Yours sincerely,

764

12

7th April 24

Dear Mr. Chengiah Chetty,

With reference to the note dated 1st February 1924 which you gave to the Dewan about the removal of certain restrictions now placed by Government in respect of the exploitation of asbestos, kaolin etc., in the State, I should like to discuss the matter with you and shall be obliged by your informing me if you can come over and see me in my office sometime - between 2 and 5 P.M. on Friday (11th) or Saturday (12th).

Yours sincerely,

7/4/1924

Scarper

many Thanks
for your kind
letter. I shall
come over on
Saturday the 12-
Just between
3.30 P.M & 5 P.M

Yours
Sincerely
Chitty

To
K. P. Premnoody
Member To Bar Council

9 35/24

12th April 4

Dear Mr. Sen,

With reference to your D.O. No. C.4 dated 5th February 1924 to the Dewan regarding the issue of - licenses for asbestos, kaolin etc., I shall feel obliged if you will kindly let me ~~know if you~~ have information on the under-mentioned points:-

(1) Names of persons to whom licenses or mining leases have been issued in respect of asbestos and the dates on which they were issued.

(2) The quantity of asbestos collected by the licensees during each year since the ~~date of~~ issuing of licenses to them.

(3) The rate of royalty now received on asbestos and the actual amount of royalty paid by each of the licensees till now.

(4) Is there any probability of the quantity of asbestos to be removed from the licensed blocks being increased very much if the present restrictions against their export outside the State is removed, and if so, what is the approximate quantity that may be

K 24

D.O.No. 1853
Secy 3

15

Mysore Geological Department.

Bangalore, 26th April 1924.

Dear Sir,

With reference to your D.O.No.I.35/24, dated 12th April 1924, I beg to forward herewith a statement containing the information required under the three heads (1) (2) and (3)

With reference to your enquiry in para (4) I may say it is doubtful if the present restrictions against the export of asbestos outside the State are withdrawn, the quantity of asbestos to be removed from the licensed areas would increase proportionately.

The order restricting the export was passed in November 1922.

The following statement shows the various figures before and after this order.

Period. (official year)	Quantity collected.	Quantity exported or sold.	Royalty.
	Tons. cwts	Tons. cwts.	Rs. a. p
1916-22.	4752 - 7	1490 - 5	1609-15-- 3
1922-24.	296 - 9	150 - 9	188- 1- 0

No doubt the above figures show that there had been a good amount of decrease in the output and export of asbestos after 1922. But it will not be wise and advisable to take this as our guide. In 1919-20 one licensee Mr.M.J. Rasheed gave us a return that he collected 1800 tons of Amorphous asbestos; it is difficult to make out how much of real asbestos could be obtained out of this quantity as most of the materials consist of other rocks associated with asbestos. The chief producers had been Messrs.Chinnaswami Iyer and Krishna Iyer. The former sold a quantity of about 434 tons

between

between August 1917 and December 1918 to Mr.M. L. Vardhamaniah of Mysore, a good portion of which could not be used by him for any purpose. Another lot of about 994 tons was reported to have been sold by Mr.Krishna Iyer to a party who however was not able to make use of it. Lately when I inspected the Kabbur Block, about 8000 Cft. of this asbestos were found still lying unprotected on the block and were getting spoiled by rain and weather.

From these observations it appears to me that there is not much demand for this variety of amphibole asbestos, which could only be used, when properly treated, as heat insulator, steam pipe covering and boiler lagging. If the restrictions are withdrawn it is likely a quantity of this asbestos may be exported, but to what extent, it is difficult to say as so much depends on the market demand and the quality of material turned out.

It may be seen from the statements that Messrs.Chinnaswami Iyer and Krishna Iyer were the only persons who sold asbestos while Mr. Vardhamaniah used the material in his own factory at Mysore. Other licensees have not shown any activity in selling the asbestos even before the restriction was imposed.

According to G.O. No.I.C.7137/Geol137-22-4, dated 23rd May 1923, Government were pleased to sanction the extension of the protection for asbestos already granted to Mr.M.L. Vardhamaniah for a further period of ten years over the districts of Mysore and Hassan only.

From the other districts where asbestos has not been found in large quantities, it is not likely there would be a good output even if the restriction is withdrawn. It is difficult to say any thing about the approximate quantity of asbestos that may be expected from the other areas, since no proper prospecting has been done in this direction and asbestos occurs in small veins of varying thickness from place to place and according to depths.

Since Mr. Krishna Iyer has not yet responded to our demand for all dues for his license areas, it is very much doubtful if

he will at all take the concessions. The matter is pending before Government for orders. At present Mr.M.L. Vardhamaniah is the only one Prospecting Licensee for asbestos.

It is dountful point whether matters will improve when the restriction is withdrawn. It is probable there may be a little more activity in this mineral industry than what has been manifested for the past two years.

Yours sincerely,

A. M. Sen

K.R. Srinivas Iyengar, Esquire, M.A.,
Second Member of Council,
Bangalore.

C.N.

III. Statement showing output & Export of asbestos and Royalty recovered thereon from the beginning of the activities for the mineral.

(Abstract of Statement II)

Serial No.	Names of Licensees	Period	Quantity collected Tons cwt.	Quantity Exported or Sold. Tons cwt.	Royalty Paid. Rs	as	P.	Remarks.
	Mr. D. Chinnaswamy Iyer	1916-22. (official year)	1996-0.	1490-5	1609	15	3.	
	Singaravelu Mor.	"	231-2	nil	.	.	.	
	—do—	"	205-0	"	.	.	.	
	—do—	"	11-0	"	.	.	.	
2.	M. L. Vardhamana.	"	360-0.	"	.	.	.	
	—do—	"	8-5	"	.	.	.	
	—do—	"	117-0	"	.	.	.	
3.	M. T. Rasheed.	"	1800-0	"	.	.	.	Amorphous asbestos
4.	Syed Rasool.	"	24-0	"	.	.	.	
5.	M. Lakshminarayan Jois	"	nil	"	.	.	.	
	—do—	"	"	"	.	.	.	
		Total.	4752-7.	1490-5	1609	15	3.	
1.	Mr. D. Chinnaswamy Iyer	1922-24. (official Year)	nil	nil	-	-	-	
	Singaravelu Mor.	"	"	"	.	.	.	
	—do—	"	"	"	.	.	.	
	—do—	"	"	"	.	.	.	
2.	M. L. Vardhamana.	"	10-0	"	.	-	.	
	—do—	"	266-9	142-9	178	1	0	
	—do—	"	20-0	8-0	10	.	.	
3.	M. T. Rasheed	"	nil	nil	-	-	-	
4.	Syed Rasool.	"	"	"	.	.	.	
5.	M. Lakshminarayan Jois	"	"	"	.	.	.	
	—do—	"	"	"	.	.	.	
		Total.	296-9.	150-9.	188	1	0.	

A. M. Lee

offg: DIRECTOR,
Mysore Geological Department.

II Statement showing output and export of Asbestos and Royalty recovered thereon from the beginning of the activities for the mineral 19

(Abstract of Statement I.)

Serial No.	Name of Licensee.	Period. (Official year)	Quantity collected. Tons cwt.	Quantity exported or Sold. Tons cwt.	Royalty Paid. Rs	as	P	Remarks
1.	Mr. T. Chinnaswamy Iyer.	1916-'22.	1996-0.	1490-5.	1609	15	3.	Till 1916 no work in Asbestos was reported to have been done.
		'23-'24.	do	work.				
	Singaravelu Mdr.	End of 1922.	231-2	nil	-	-	-	
		'23-'24.	nil	"	-	-	-	
	— do —	End of 1922.	205-0	"	-	-	-	
		'23-'24	nil.	"	-	-	-	
	—do—	End of 1922.	11-0.	"	-	-	-	
		'23-'24.	nil.	"	-	-	-	
2.	M. L. Vardhamania.	End of 1922.	360-0	-	-	-	-	
		'23-'24.	10-0	-	-	-	-	
	— do —	End of 1922.	8-5.	-				
		'23-'24.	266-9.	142-9	178	1	0	
	—do—	End of 1922.	117-0	nil.	-	-	-	
		'23-'24	20-0	8-0.	10	-	-	
3.	M. T. Rasheed.	End of 1922.	1800-0	-	-	-	-	Amorphous asbestos
		'23-'24.	nil.	-	-	-	-	
4.	Syed Rasool.	End of 1922.	24-0	-	-	-	-	
		'23-'24.	nil.	-	-	-	-	
5.	M. Lakshminarayan Jois.	End of 1922.	nil	-	-	-	-	
		'23-'24	-	-	-	-	-	
	—do—	End of 1922.	"	-	-	-	-	
		'23-'24.	"	-	-	-	-	

offg: DIRECTOR.
Mysore Geological Department.

1 Statement showing output and export of asbestos 20
the activities for the mineral

	Name of Licensee.		No. of Prospecting License.	Situation and Extent of Block.	Date of grant of License.	D wh wo
1.	Mr V. Chinnaswamy Iyer		350	1 Sq mile in Holenarsipur Taluk (Kalroor Block)	19-8-1911.	
	Mr V.N. Krishna Iyer (Successor)					
	M. Singaravelu Mudaliar &		472	1 Sq mile in Holenarsipur Tk	10-5-1918	
	T. Chinnaswamy Iyer.	R	519	(Yattekere Block)	10-5-1920	
	Mr V.N. Krishna Iyer (Successor)					
	M. Singaravelu Mudaliar		474	1 Sq mile in Holenarsipur (Hiretalal Block.	14-9-1918	
	Mr V.N. Krishna Iyer (Successor)	R	499		14-9-1919	
	— do — — do — do —		479	1 Sq mile in Holenarsipur Tk (Wodkadanu Block)	21-9-1918	
		R	498		21-9-1919	
		R	536		21-9-1920	
2.	Mr M & Vardhamanaiya		475	1 1/5 mile in Holenarsipur Tk	14-9-1918	
		R	507			
		R	535			
		R	572			
		R	598			
	— do — do — do —		502	1 5/8 Sq mile - do —	12-12-1919	1
		R	545			
		R	586			
		R	608			
	do — do — do —		503	4 Sq miles - do —	12-12-1919	12
		R	546			
		R	567			
		R	609			
3	M.T. Rasheed		504	3/4 Sq mile Bangalore Dist	12-12-1919	12
		R	580			
4.	M. & T. Tois.		491	1 Sq mile Mudgere Taluk	27-8-19	27
			599	1192 acres Hosdurga Taluk	16-11-22	16
	Syed Rashool		509	1 Sq mile Chickpet Taluk	22-1-20	29
			549			

and royalty recovered thereon from the beginning of ~~March~~

Date upto which license is current.	Particulars of ore and Royalty. Year (Official Year)	Quantity Collected.	Quantity Sold or Removed.	Royalty Paid Rs.	as	ps	Remarks
1-8-1918.	1916-17	10	9½	14	-	2	Mining Lease Sanctioned by Govt: but not yet issued.
	17-18	229	217	322	8	-	
	18-19	335	255	378	11	10	
	19-20	287	3	7	15	2	
	20-21	1135	993 - 12 Cwts	804	3	4	
	21-22	Nil	12-3	82	8	9	
	Total.	1996.	1490-5	1609	15	3	
10-5-1920	1918-19	14	-	-	-	-	
10-5-1921	19-20	36	-	-	-	-	
	20-21	175	-	-	-	-	"R" Stands for renewal of the license for another year.
	21-22	6-2 Cwt	-	-	-	-	
	Total	231-2	-	-	-	-	
14-9-1919	1918-19	5	-	-	-	-	
14-9-1920	1919-20	20	-	-	-	-	
	20-21	175	-	-	-	-	
	21-26	5	-	-	-	-	
	Total	205.	-	-	-	-	
21-9-1919							
21-9-1920	1920-21	5	-	-	-	-	
21-9-1921	21-22	6	-	-	-	-	
	Total	11	-	-	-	-	
14-9-1919	1918-19	200	-	-	-	-	
	19-20	-	-	-	-	-	
	20-21	-	-	-	-	-	
	21-22	100	-	-	-	-	
	22-23	10	-	-	-	-	
	Total	310	-	-	-	-	
2-12-1920	1919-20	-	-	-	-	-	
	20-21	4	-	-	-	-	
	21-22	4-5	-	-	-	-	
	22-23	266-9	142-9	178	1	-	
	Total.	274-14	142-9.	178	1	0	
1-12-1920.	1919-20	50	-	-	-	-	
	20-21	17	-	-	-	-	
	21-22	50	-	-	-	-	
	22-23	20	8-0	10	-	-	
	Total	137-	8-0	10	-	-	
1-12-1920	1919-20	1800	-	-	-	-	
	21-22	Nil	-	-	-	-	
	Total	1800	-	-	-	-	
1-8-1920.							
1-11-'23.	1922-23		-	-	-	-	
1-1-'21.	1919-20	7	-	-	-	-	
	20-21	17	-	-	-	-	
	Total	24	-	-	-	-	

Hg. DIRECTOR,
Mysore Geological Department.

29/4/1924

Dear Sir

I enclose for your kind perusal an extract from a letter received from a friend of mine in Madras dealing with Immorality- The removal of restrictions on the export of asbestos from India is likely to stimulate trade

In this it will likely
to bring in
substantial income
to you

Yours truly
Ewing Langsdale

Dr
K & S Treasurer
Synagogue Repairs
Dr
Income Tax
Council

22

Madras,

27-4-1924.

Dear Sir,

X X X

As regards good asbestos found in your State, if the restrictions are removed, I can place immediate orders for two shipments. Is there any restriction as regards the export of Kaolin (China Clay)? If none, good business can be done now that both the Railways have agreed to transport at concession rates.

X X X